



Related Medlearn Matters Article #: MM3467

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Related Change Request #: CR3467

### *MMA - Independent Laboratory Billing for the Technical Component (TC) of Physician Pathology Services to Hospital Patients*

#### Key Words

Laboratory, Pathology, BIPA, Fee Schedule, MM3467, CR3467, MMA

#### Provider Types Affected

Independent laboratories

#### Key Points

- The effective date of instruction is January 1, 2005.
- Section 542 of BIPA allows the carrier to continue to pay independent laboratories under the physician fee schedule for the technical component of physician pathology services furnished to patients of a covered hospital.
- MM 3467 and related CR 3467 implement section 732 of the Medicare Modernization Act (MMA) that extends the provision of Section 542 of Benefits Improvement Protection Act of 2000 (BIPA) for services furnished in 2005 and 2006.
- Covered hospital means a hospital that had an arrangement with an independent laboratory that was in effect as of July 22, 1999, under which the laboratory furnished the TC of physician pathology services to fee-for-service Medicare beneficiaries who were hospital inpatients or outpatients, and the laboratory submitted claims for payment for the TC service to a carrier.
- Carriers will require independent laboratories that had an arrangement on or prior to July 22, 1999 with a covered hospital to bill for these services to provide a copy of this agreement or other documentation substantiating that an arrangement was in effect between the hospital and independent laboratory as of that date.
- Carriers will return claims for the TC of physician pathology services as unprocessable when submitted by those independent laboratories that did not have an arrangement established with a covered hospital on or prior to July 22, 1999, to bill for these services under the Medicare Physician Fee Schedule.

### Important Links

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2005/MM3467.pdf>

[http://www.cms.hhs.gov/manuals/pm\\_trans/R382CP.pdf](http://www.cms.hhs.gov/manuals/pm_trans/R382CP.pdf)